

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, there is herewith printed in parallel columns the text of provisions of existing law which would be repealed or amended by the various provisions of the bill as reported.

EXISTING LAW

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Central Intelligence Agency  
Retirement Act of 1964 for  
Certain Employees, as amended,  
(78 Stat. 1043; 50 U.S.C. 403  
note)

Sec. 211. (a) Six and one-half per centum of the basic salary received by each participant shall be contributed to the fund for the payment of annuities, cash benefits, refunds and allowances. An equal sum shall also be contributed from the respective appropriation or fund which is used for payment of his salary. The amounts deducted and withheld from basic salary together with the amounts so contributed from the appropriation or fund shall be deposited by the Agency to the credit of the fund.

THE BILL AS REPORTED

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Sec. 1. Section 211 (a) of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, (78 Stat. 1043; 50 U.S.C. 403 note) is further amended by striking out "Six and one-half per centum" in the first sentence and inserting "Seven per centum".

Sec. 221. (a) The annuity of a participant shall be equal to 2 per centum of his average basic salary for the highest five consecutive years of service, for which full contributions have been made to the fund, multiplied by the number of years, not exceeding thirty-five, of service credit obtained in accordance with the provisions of sections 251 and 252. In determining the aggregate period of service upon which the annuity is to be based, the fractional part of a month, if any, shall not be counted.

(b) At the time of retirement, any married participant may elect to receive a reduced annuity and to provide for an annuity payable to his wife or her husband, commencing on the date following such participant's death and terminating upon the death or remarriage of such surviving wife or husband. The annuity payable to the surviving wife or husband after such participant's death shall be 55 per centum of the amount of the participant's annuity computed as prescribed in paragraph (a) of this section, up to the full amount of such annuity specified by him as the base for the survivor benefits. The annuity of the participant making such election shall be reduced by 2 1/2 per centum of any amount up to \$3,600 he specified as the base for the survivor benefit plus 10 per centum of any amount over \$3,600 so specified.

Sec. 2. Section 221 of the Central Intelligence Agency Retirement Act (50 U.S.C. 403 note) is amended:

(a) by striking out in paragraph (a) "five consecutive years of service," and inserting "three consecutive years of service /or, in the case of an annuity computed under section 232 and based on less than three years, over the total service/, ";

(b) by striking out from the first sentence of paragraph (b) "or remarriage of such surviving wife or husband and inserting: "or upon remarriage prior to attaining age sixty of such surviving wife or husband";

(c) (1) If an annuitant dies and is survived by a wife or husband and by a child or children, in addition to the annuity payable to the surviving wife or husband, there shall be paid to or on behalf of each child an annuity equal to the smallest of: (i) 40 per centum of the annuitant's average basic salary, as determined under paragraph (a) of this section, divided by the number of children; (ii) \$600; or (iii) \$1,800 divided by the number of children.

(2) If an annuitant dies and is not survived by a wife or husband but by a child or children, each surviving child shall be paid an annuity equal to the smallest of: (i) 50 per centum of the annuitant's average basic salary, as determined under paragraph (a) of this section, divided by the number of children; (ii) \$720; or (iii) \$2,160 divided by the number of children.

(c) by striking out in paragraph (c) the items "40 per centum", "\$600", "\$1,800", "50 per centum", "\$720", and "\$2,160", and inserting "60 per centum", "\$900", "\$2,700", "75 per centum", "\$1,080", and "\$3,240";

(d) by adding new paragraph (g):

"(g) In the case of remarriage on or after age sixty an annuity shall be payable if remarriage has occurred on or after July 18, 1966, and if the surviving wife or husband, immediately before such remarriage, was receiving an annuity from the Central Intelligence Agency Retirement and Disability Fund. The annuity of a surviving spouse terminated as a result of remarriage which occurred prior to age sixty and on or after July 18, 1966, shall be restored at the same rate commencing on the day the remarriage is dissolved by death, annulment, or divorce, if --

"(1) the surviving spouse elects to receive this annuity instead of a survivor benefit to which he may be entitled, under this or another retirement system for Government employees, by reason of the remarriage; and

"(2) any lump sum paid on termination of the annuity is returned to the fund.

"No annuity shall be paid by reason of this paragraph for any period prior to October 20, 1969. No annuity shall be terminated solely by reason of the enactment of this paragraph."; and

(e) by adding new paragraph (h):

"(h) In computing an annuity under this section the service credit of a participant who retires, except under section 231, on an immediate annuity or dies leaving a survivor or survivors entitled to annuity includes, without regard to the limitations imposed by paragraph (a), the days of unused sick leave to his credit under a formal leave system, except that these days will not be counted in determining average basic salary or annuity eligibility. The contribution specified in section 252 shall not be required for days of unused sick leave credited under this paragraph."

Sec. 231. (a) Any participant who has five years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with provisions of section 251 or 252 (a) (2), and who becomes totally disabled or incapacitated for useful and efficient service by reason of disease, illness, or injury not due to vicious habits, intemperance, or willful misconduct on his part, shall, upon his own application or upon order of the Director, be retired on an annuity computed as prescribed in section 221. If the disabled or incapacitated participant is under sixty and has less than twenty years of service credit toward his retirement under the system at the time he is retired, his annuity shall be computed on the assumption that he has had twenty years of service, but the additional service credit that may accrue to a participant under this provision shall in no case exceed the difference between his age at the time of retirement and age sixty, but this provision shall not increase the annuity of any survivor.

Sec. 232. (b) If a participant, who has at least five years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with the provisions of section 251 or 252 (a) (2), dies before separation or retirement from the Agency and is survived by a widow or a dependent widower, as defined in section 204, such widow or dependent widower shall be entitled to an annuity equal to 55 per centum of the annuity computed in accordance with the provisions of section 221 (a).

Sec. 3. Section 231 (a) of the Central Intelligence Agency Retirement Act (50 U.S.C. 403 note) is amended by striking ", but this provision shall not increase the annuity of any survivor" from the last sentence.

Sec. 4. (a) Section 232 (b) of the Central Intelligence Agency Retirement Act (50 U.S.C. 403 note) is amended:

(1) by striking "five years" and inserting "18 months";

(2) by inserting, after "221 (a)", ", except that the computation of the annuity of the participant under such section shall

The annuity of such widow or dependent widower shall commence on the date following death of the participant and shall terminate upon death or remarriage of the widow or dependent widower, or upon the dependent widower's becoming capable of self-support.

be at least the smaller of (i) 40 per centum of the participant's average basic salary, or (ii) the sum obtained under such section after increasing the participant's service of the type last performed by the difference between his age at the time of death and age sixty"; and

(3) by striking "remarriage of the widow or dependent widower" and inserting "upon remarriage prior to attaining age sixty of the widow or dependent widower (subject to the payment and restoration provisions of section 221 (g) )".

(c) If a participant who has at least five years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with the provisions of section 251 or 252 (a) (2), dies before separation or retirement from the Agency and is survived by a wife or a husband and a child or children, each surviving child shall be entitled to an annuity computed in accordance with the provisions of section 221 (c) (1). The child's annuity shall begin and be terminated in accordance with the provisions of section 221 (e). Upon the death of the surviving wife or husband or termination of the annuity of a child, the annuities of any remaining children shall be recomputed and paid as though such wife or husband or child had not survived the participant.

(b) Sections 232 (c) and (d) are amended by striking "five years" and inserting "18 months".

(d) If a participant who has at least five years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with the provisions of section 251 or 252 (a) (2), dies before separation or retirement from the Agency and is not survived by a wife or husband, but by a child or children, each surviving child shall be entitled to an annuity computed in accordance with the provisions of section 221 (c) (2). The child's annuity shall begin and terminate in accordance with the provisions of section 221 (e). Upon termination of the annuity of a child, the annuities of any remaining children shall be recomputed and paid as though that child had never been entitled to the benefit.

Sec. 291. (a) On the basis of determinations made by the Director pertaining to per centum change in the Price Index, the following adjustments shall be made: . . .

(2) Each month beginning with November 1966, the Director shall determine the per centum change in the price index. Effective the first day of the third month which begins after the price index shall have equaled a rise of at least 3 per centum for three consecutive months over the price index for the base month, each annuity payable from the fund which has a commencing date not later than such effective date shall be increased by the per centum rise in the price index (calculated on the highest level of the price index during the three consecutive months) adjusted to the nearest one-tenth of 1 per centum.

Sec. 5. Section 291 of the Central Intelligence Agency Retirement Act (50 U.S.C. 403 note) is amended:

(a) by inserting "1 per centum plus" immediately after the word "by" in paragraph (a) (2); and



(b) Eligibility for an annuity increase under this section shall be governed by the commencing date of each annuity payable from the fund as of the effective date of an increase, except as follows: ...

(2) Effective from its commencing date, an annuity payable from the fund to a child under section 221 (c), which annuity commences the day after annuitant's death and after January 1, 1967, shall be increased by (a) 2 per centum if the annuity from which it is derived commenced on or before January 1, 1966, or (b) 1 per centum if the annuity from which it is derived commenced on or between January 2, 1966, and January 1, 1967.

(3) For the purposes of computing an annuity which commences after January 1, 1967, to a child under section 221 (c), the items \$600, \$720, \$1,800, and \$2,160 appearing in section 221 (c) shall be increased by 10.2 per centum plus the total per centum increase allowed and in force under section 291 (a) (2) for employee annuities, and, in the case of a deceased annuitant, the items 40 per centum and 50 per centum appearing in section 221 (c) shall be increased by the total per centum increase allowed and in force under this section to the annuitant at death; or if death occurred between January 1, 1967, and date of enactment, the per centum increase the annuitant would have received.

(b) by amending paragraphs (b) (2) and (b) (3) to read:

"(2) For the purpose of computing the annuity of a child under section 221 (c) that commences after October 31, 1969, the items \$900, \$1,080, \$2,700, and \$3,240 appearing in section 221 (c) shall be increased by the total per centum increases allowed and in force under this section on or after such day, and, in case of a deceased annuitant, the items 60 per centum and 75 per centum appearing in section 221 (c) shall be increased by the total per centum allowed and in force to the annuitant under this section on or after such day.

"(3) The annuity of each surviving child receiving an annuity under section 221 immediately prior to November 1, 1969, shall be recomputed effective November 1, 1969, in accordance with paragraph (b) (2). No increase allowed and in force prior to such date under section 291 shall be included in the recomputation of any such annuity, and this paragraph shall not operate to reduce any annuity."